

Pathways to good practice in regional NRM governance

Pathways to Good Practice in Regional NRM Governance: Project Summary and Achievements

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Copies of these reports are available from: www.geog.utas.edu.au/geography/nrmgovernance/

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EXECUTIVE SUMMARY

In this report we present a summary of the Land & Water Australia funded project *Pathways to good practice in regional NRM governance*, and indicate what we consider to be the main contributions of the work. The project was conceived to assess the effectiveness of regional natural resource management (NRM) governance and to develop a standard for good-practice. The work is focussed on nine regions across Tasmania (Cradle Coast, South), Victoria (Corangamite, North Central, Goulburn-Broken) and NSW (Central West, Murray, Lachlan, Northern Rivers), as well as the state jurisdictions of NSW, Victoria and Tasmania and the national level.

First, we indicate how three major societal change agendas – sustainable development, neoliberalism and governance – have influenced NRM in Australia. Appreciating this mixed parentage enables NRM policy-makers and practitioners to better respond to the strengths of, and the challenges facing, the multi-level Australian NRM system. In this context, in order to deliver good governance, NRM governing bodies require the guidance of value-based standards.

In response to this need, we developed a set of principles to guide the design and assessment of NRM governance institutions. The eight principles are listed in Table 1.

Table 1. Governance principles for NRM

Principle	Elements
<i>Legitimacy</i>	<ul style="list-style-type: none"> ○ Validity of an organization's authority to govern that may be (a) conferred by democratic statute; or (b) earned through the acceptance by stakeholders of an organization's authority to govern ○ Integrity and commitment with which authority is exercised
<i>Transparency</i>	<ul style="list-style-type: none"> ○ Visibility of decision-making processes ○ Clarity with which the reasoning behind decisions is communicated ○ Ready availability of relevant information about the governance and performance of an organization
<i>Accountability</i>	<ul style="list-style-type: none"> ○ Allocation and acceptance of responsibility for decisions and actions ○ Demonstration of how these responsibilities have been met
<i>Inclusiveness</i>	<ul style="list-style-type: none"> ○ Opportunities available for stakeholders to participate in and influence decision-making processes
<i>Fairness</i>	<ul style="list-style-type: none"> ○ Respect and attention given to stakeholders' views ○ Consistency and absence of personal bias in decision-making ○ Consideration given to distribution of costs and benefits of decisions
<i>Integration</i>	<ul style="list-style-type: none"> ○ Connection between, and coordination across, different levels of governance ○ Connection between, and coordination across, organizations at the same level of governance ○ Alignment of visions and strategic directions across governance organizations
<i>Capability</i>	<ul style="list-style-type: none"> ○ Systems, resources, skills, leadership, knowledge and experience that enable organizations, and the individuals who direct, manage and work for them, to deliver on their responsibilities
<i>Adaptability</i>	<ul style="list-style-type: none"> ○ Incorporation of new knowledge and learning into decision-making and implementation ○ Anticipation and management of threats, opportunities and associated risks ○ Systematic self-reflection on organizational performance

The principles served as a platform for an assessment of Australian NRM governance. We assessed the state of NRM governance, with a focus on our nine partner regions, the NSW, Victorian and Tasmanian and national jurisdictions. A summary of the outcomes from the assessment is provided in Table 2.

Table 2. Summary of NRM governance assessment

	Poor	Average	Good	Exemplary
NRM system¹				
Legitimacy				
Transparency				
Accountability				
Inclusiveness				
Fairness				
Integration				
Capability				
Adaptability				
Regional NRM bodies				
Legitimacy				
Transparency				
Accountability				
Inclusiveness				
Fairness				
Integration				
Capability				
Adaptability				

We used this assessment and the guiding principles to inform the development of a Governance Standard and an associated Assessment Framework. The Standard is non-prescriptive, outcomes focussed and specifically targeted to NRM. For each of the eight governance principles a number of dimensions (usually 2-3) were identified. Each dimension has a corresponding outcome that needs to be satisfied for good governance to be in operation. A series of indicators provide reference points for each outcome. The Assessment Framework has been developed to aid structured assessment of NRM governance against the Standard. The purpose of employing the Framework is to generate a qualitative evidence-based assessment of the extent to which an NRM governing body has met the outcomes specified in the Standard. The assessment is intended to foster learning and provide a vehicle for enabling organizational improvement in governance. We also offer good practice guidelines that suggest how the outcomes specified in the Standard might be met.

In the final section of the report, we reflect on the leanings and contributions generated by the work, as well as summarising the responses of our partners to the project.

¹The NRM system refers to our nine regional NRM bodies as well as associated state and Australian government NRM governing bodies.

1. INTRODUCTION

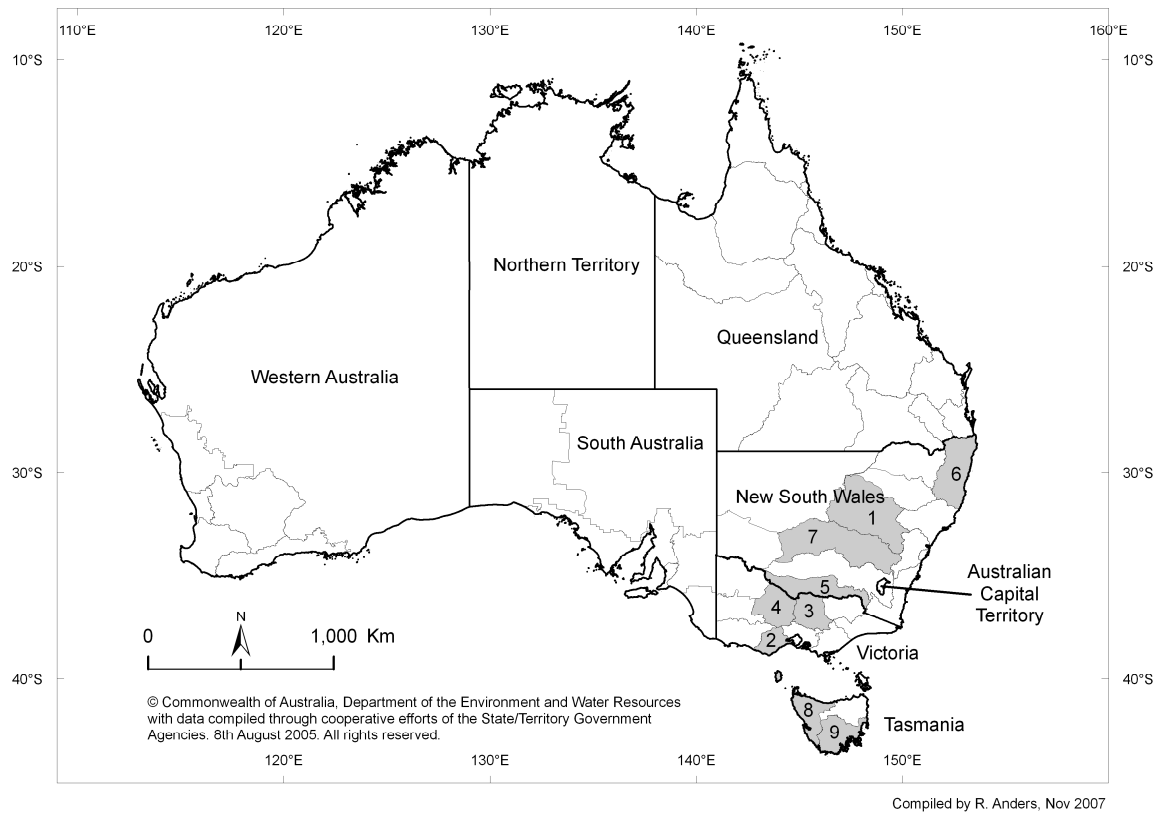
In this report we present a summary of the Land & Water Australia funded project *Pathways to good practice in regional NRM governance*, and indicate what we consider to be the main contributions of the work. The project was conceived to assess the effectiveness of regional natural resource management (NRM) governance and to develop a standard for good-practice. The work is focussed on nine regions across Tasmania (Cradle Coast, South), Victoria (Corangamite, North Central, Goulburn-Broken) and NSW (Central West, Murray, Lachlan, Northern Rivers), as well as the state jurisdictions of NSW, Victoria and Tasmania and the national level (Figure 1).

The project objectives, and related reports and publications, are:

1. to establish a theoretically robust understanding of good NRM governance (Davidson *et al.* 2006, Stratford *et al.* 2007);
2. to develop a set of principles for good NRM governance (Davidson *et al.* 2006, Lockwood *et al.* 2008a);
3. to describe regional NRM governance arrangements and structures, with particular reference to our nine partner regions (Davidson *et al.* 2007);
4. to assess the quality of NRM governance in our nine partner regions, as well as the state and national levels, against our governance principles and related themes (Lockwood *et al.* 2007, Davidson *et al.* 2008);
5. to offer good practice guidelines for NRM governance (Davidson *et al.* 2008); and
6. to develop a standard for good NRM governance that can be used to benchmark and track governance performance (Lockwood *et al.* 2008b).

Section 2 summarises our work on good governance theory and presents the major contribution from this aspect of the work – a set of eight principles that identify the requirements for good NRM governance. In Section 3 we offer an assessment of the current state of NRM governance, with a focus on our nine partner regions and their associated state jurisdictions. A major product of the research – a standard for good NRM governance – is described in Section 4, along with associated guidelines for good practice. In the final section, we reflect on the contribution of the research to Australian NRM.

Figure 1. NRM study regions



NRM Study Regions (Shaded)

- | | | | | |
|-----------------|--------------------|--------------------|------------------------------|------------|
| 1. Central West | 3. Goulburn Broken | 5. Murray | 7. Lachlan | 9. South * |
| 2. Corangamite | 4. North Central | 6. Northern Rivers | 8. North West (Cradle Coast) | |

* Excludes Macquarie Island

2. GOVERNANCE THEORY AND PRINCIPLES

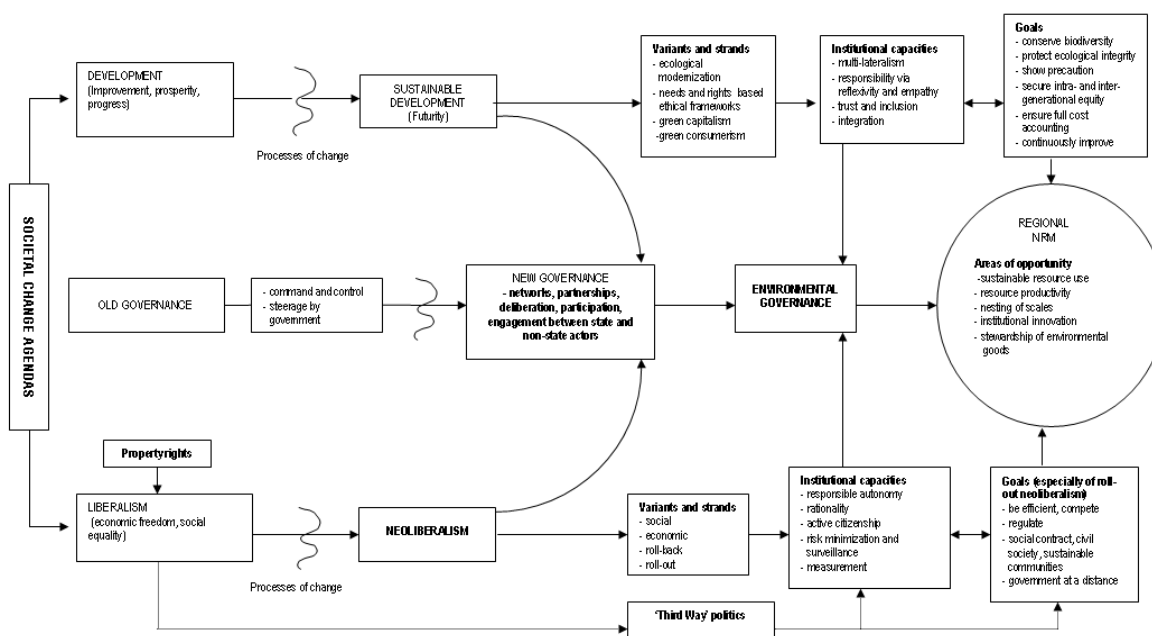
In this section we first trace the key social change agendas that have influenced and helped shape the Australian approach to NRM governance. Out of this discussion we identify the need to identify what is meant by ‘good governance’. We then describe how we developed eight principles for good NRM governance. These principles provided the normative basis for (i) our assessment of the current status of Australian NRM governance summarised in Section 3; and (ii) development of a Standard and Assessment Framework designed to foster continuous improvement in NRM governance (Section 4).

The ‘big ideas’ influencing Australian NRM

Three major societal change agendas – sustainable development, neoliberalism and governance –have influenced NRM in Australia. Appreciating this mixed parentage can enable NRM policy-makers and practitioners to better sustain the strengths of the current system and, perhaps, to see that improving NRM governance can be supported by an understanding of these three agendas.

Sustainable development emerged from its sister concept sustainability and entered the public conversation in the late 1960s gaining wider salience in the 1980s. Neoliberalism also emerged in the 1980s, replacing Keynesian economic theory as the driver of western capitalist economies. These two agendas have shaped both the conduct of government and new systems and practices of governance. The relationships between the three agendas and their connections to NRM are summarised in Figure 2.

Figure 2. Conceptual map of social change agendas that influence Australian NRM



Sustainable development is often characterised according to the Brundtland Commission definition: 'development that meets the needs of the present without compromising the ability of future generations to meet their own needs'. The Earth Summit held in Rio de Janeiro in 1992 is widely recognised as the defining moment for the implementation of the agenda. Here a set of 27 legally non-binding principles was agreed. They were designed to commit governments to ensure environmental protection and responsible development and intended to define the rights of people to development and their responsibilities to safeguard the common environment. During the late 1980s and 1990s, significant energies were directed to implementing sustainable development principles in local contexts. In Australia, the various 'care' movements – Landcare, Coastcare and so on – are examples of the importance of local practices in applying the principles of sustainable development on-ground. And since the late 1990s, there has been growing interest in the region as a site of action for sustainable development. Regional NRM is an attempt to advance sustainable development and sustainable resource use at the regional scale, while acting as a bridging mechanism between local and global scales.

Since the 1970s, the political and economic landscape has been characterized by a *neoliberal agenda* that has seen the roll-back of government and the welfare state, together with the roll-out of new forms of governance requiring significant shifts in how citizens, communities, environments and the political-economy are configured and understood. While commentators underscore the point that neoliberalism is not one overwhelming idea, common reform demands include: fiscal restraint to generate and maintain surplus budgets; free trade; privatization of publicly owned goods, services and infrastructure; legal security for property rights; minimal government intervention; and deregulation of labour and financial markets, and (by extension) of laws and rules for environmental management. In common with the sustainable development agenda, these goals also drive the impulse for devolution and subsidiarity (the idea that government should be conducted at the smallest or 'lowest' level possible).

Neoliberalism has profoundly affected general understandings of the conception of society, the place of the citizen, and the role of government. Among these is the idea of responsible autonomy: citizens are accountable, dependable, conscientious, act in their own (enlightened) self-interest, and do not depend simply on government for their welfare. This idea may productively inform grassroots social justice and ecological movements of the sort that underpin much NRM activity. Active citizens manage and minimize their own risks; they accept the decentralized and devolved tasks of government; and they review the progress of their labours over time. Many of these attributes are now evident in current understandings of sustainable development, notions of good governance and in Australian NRM institutional arrangements.

Most environmental challenges are 'wicked problems' (Rittel & Webber 1973) for which novel policy and institutional responses must be fashioned. Emergence of this class of policy challenge is characterized by complexity and contestation originating from multiple problem causes, divergent problem perspectives and solution strategies, and fragmented institutional settings. It also coincides with a shift from government to *governance*, which is in part a response to the need for new approaches to address such problems. By governance we mean 'the interactions among structures, processes and traditions that determine how power and responsibilities are exercised, how

decisions are taken, and how citizens or other stakeholders have their say' (Graham *et al.* 2003, p. ii).

While old governance relied on markets and bureaucracies, the third social change agenda – new governance (Howlett & Rayner 2006) – is additionally characterized by wide networks, diverse partnerships, and deliberative and participative forums to coordinate and guide decision-making for common ends. Such arrangements are accomplished via formal institutions of government and informal arrangements among state and non-state actors, and rely heavily on an active citizenry. The interrelationships among NRM boards, staff, partners, sponsors and stakeholders, as well as local, state and federal governments exemplify new governance collaboration.

Consideration of the links between sustainable development, neoliberalism and environmental governance, as well as their influence on the evolution of Australian NRM, suggests opportunities for taking advantage of the synergies in their fusion, while at the same time addressing tensions and contradictions internal to and between each agenda. Tensions include failure to consider the larger structural challenges of operating in globalized markets, limits to the effectiveness of participatory strategies; a reliance on the capacity of private landowners to prioritise the care of their properties and simultaneously subjugate that will to participate in public-good initiatives; and the devolution of responsibilities without correlative powers. Opportunities involve consideration of matters crucial to good NRM governance, including sustainable resource use, stewardship, nested governance across scales and institutional capacity.

Guidance is needed so that NRM governing bodies and system designers can most effectively respond to, and take advantage of, the influences, tensions and opportunities described above. It is widely recognised that good governance is essential for mounting effective responses to environmental problems such as biodiversity loss, sustainable management of natural resources, and climate change (see for example, UNEP 2002). Norms that identify what is meant by 'good governance' are well-established and understood for traditional government functions; however, this is not so for new governance approaches.

Problems of lack of trust in traditional political authority, jurisdictional fragmentation, capability deficits, system rigidity, short-termism, and unintended consequences are some of the difficult issues that environmental governance must address. The complexities of environmental governance are largely new territory for how the governors of human systems steer interactions with natural systems, and the associated sustainability issues that arise make novel demands on institutions and policy (Dovers 2005). These challenges are of particular concern for multi-level governance systems such as Australian NRM, with its national, state/territory and regional components. It is because these demands are so exacting and because the instruments of governance are so dispersed that governing norms become imperative for guiding the design and operation of governance arrangements. We responded to this need by developing a set of good governance principles.

Development of principles for good NRM governance

In order to deliver good ‘new governance’, NRM governing bodies and the collaborative and multi-level arrangements within which they work require the guidance of value-based standards in their design and implementation. As a key component of our research, we developed a set of principles to guide the design and assessment of NRM governance institutions. These principles are normative statements that make claims about how governing or steering should happen and in what direction – that is, how NRM governance actors should exercise their powers in meeting their objectives.

The process used to develop the governance principles involved three main components: (i) suggestions from an expert panel; (ii) consideration of principles from the literature; and (iii) refining and testing draft sets of principles with the assistance of thirteen Australian NRM governance authorities.

A four-member expert panel was convened. In the first of three rounds, panel members were provided with background information on the purpose of the research, given a synopsis of pertinent governance literature, and asked to suggest principles to guide NRM governance. The governance principles arising from the first panel round were summarized by the researchers and sent back to the panel for further consideration. The resulting draft set of principles was then considered by the researchers alongside examples of existing usage of governance principles across a diverse range of scales.

We integrated the work of the expert panel with our consideration of the literature. From the international literature, we examined the well-known codes of the World Bank (Kaufmann *et al.* 2003), the United Nations Development Programme (UNDP 1997) and the European Commission (EC 2001), as well as Ostrom’s (1990, p. 90) design principles for common property resource institutions and Graham *et al.*’s (2003) code for protected area governance which takes the United Nations Development Programme set as its starting point. Another international code we used was the Lisbon Principles which was developed by a group of experts for the sustainable governance of marine and coastal resources (Costanza *et al.* 1999). At the national level, we reviewed a standard developed in the UK for government and non-government bodies using public money (TICGG 2004). From organizational space, we drew on governance principles for sustainability developed by the Government of British Columbia’s Ministry for Sustainable Resource Management (MSRM 2004). Finally, we examined a set of corporate governance principles proposed to the Australian Government as part of an evaluation of governance arrangements among Australian regional NRM organizations (Walter Turnbull 2005).

A draft set of principles was tested in interviews with our research partners, revised, and a final set of principles confirmed with our partners. This final set of eight principles is given in Table 1.

Table 1. Governance principles for NRM

Principle	Elements
<i>Legitimacy</i>	<ul style="list-style-type: none"> ○ Validity of an organization's authority to govern that may be (a) conferred by democratic statute; or (b) earned through the acceptance by stakeholders of an organization's authority to govern ○ Integrity and commitment with which authority is exercised
<i>Transparency</i>	<ul style="list-style-type: none"> ○ Visibility of decision-making processes ○ Clarity with which the reasoning behind decisions is communicated ○ Ready availability of relevant information about the governance and performance of an organization
<i>Accountability</i>	<ul style="list-style-type: none"> ○ Allocation and acceptance of responsibility for decisions and actions ○ Demonstration of how these responsibilities have been met
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<i>Fairness</i>	<ul style="list-style-type: none"> ○ Respect and attention given to stakeholders' views ○ Consistency and absence of personal bias in decision-making ○ Consideration given to distribution of costs and benefits of decisions
<i>Integration</i>	<ul style="list-style-type: none"> ○ Connection between, and coordination across, different levels of governance ○ Connection between, and coordination across, organizations at the same level of governance ○ Alignment of visions and strategic directions across governance organizations
<i>Capability</i>	<ul style="list-style-type: none"> ○ Systems, resources, skills, leadership, knowledge and experience that enable organizations, and the individuals who direct, manage and work for them, to deliver on their responsibilities
<i>Adaptability</i>	<ul style="list-style-type: none"> ○ Incorporation of new knowledge and learning into decision-making and implementation ○ Anticipation and management of threats, opportunities and associated risks ○ Systematic self-reflection on organizational performance

More detail on the principles is given in Lockwood *et al.* (2008a). The principles serve as a platform for developing governance monitoring and evaluation instruments. They provide the motivation and structure from which outcomes and indicators of good NRM governance can be constructed. Following benchmarking, such indicators can enable NRM authorities to track their own governance performance, identify deficiencies and target areas for improvement. As well as organizational learning, such monitoring and evaluation of performance can in itself promote governance accountability and transparency, especially where it is implemented in the form of an independent audit.

3. CURRENT STATE OF NRM GOVERNANCE

We assessed the state of NRM governance, with a focus on our nine partner regions, the NSW, Victorian and Tasmanian and national jurisdictions, through:

- two rounds of qualitative interviews with regional board members and staff and with governance agency personnel;
- workshops and discussions with regional board members and staff and with governance agency personnel;
- results from a trial standard for good NRM governance that was completed by four of our partner regions;
- consideration of related findings reported in academic, government and consultant documents²; and
- comments on draft findings by regional board members and staff and governance agency personnel.

Details of the assessment are given in Lockwood *et al.* (2007) and Davidson *et al.* (2008). A summary of the outcomes from the assessment is provided in Table 2. In the rest of this section, we give brief explanations of the results, structured according to the eight principles described in Section 2, with an overall judgement given in italics.

Table 2. Summary of NRM governance assessment

	Poor	Average	Good	Exemplary
NRM system³				
Legitimacy				
Transparency				
Accountability				
Inclusiveness				
Fairness				
Integration				
Capability				
Adaptability				
Regional NRM bodies				
Legitimacy				
Transparency				
Accountability				
Inclusiveness				
Fairness				
Integration				
Capability				
Adaptability				

²Some 35 sources in all, including Lane *et al.* (2004), Paton *et al.* (2004), Vogel & Zammit (2004), Beer *et al.* (2005), Head (2005), Moore (2005), Walter Turnbull (2005), ITS Global (2006), Keogh *et al.* (2006), Moore & Rockloff (2006), Morrison & Lane (2006), Marshall (2007) and Australian National Audit Office (2008).

³The NRM system refers to our nine regional NRM bodies as well as associated state and Australian government NRM governing bodies.

Legitimacy

The legitimacy of the NRM system is average and that of regional NRM bodies is average to good

Regions generally have appropriate, though limited, powers conferred on them by legislation to coordinate, plan and implement NRM. These powers are further supported by formal ministerial delegations. Nonetheless, regional NRM bodies are faced with managing tensions between legitimacy conferred on them by governments, and a perceived need to be recognised as separate from government in order to earn legitimacy from their communities. The level of earned legitimacy varies considerably amongst stakeholders, ranging from high amongst some agricultural sectors to low amongst sea/tree changers, urban residents and resource-based sectors (fisheries, forestry and tourism). Personal integrity of the key players is sound, with high levels of commitment evident amongst regional decision makers and some stakeholders. Processes and responses to 'conflict of interest' issues are sound, and probity-related matters are being effectively managed through codes of practice and governance training.

The autonomy of regional NRM bodies is sub-optimal, with insufficient devolution of powers to regional NRM bodies by the Australian and some state governments. However, greater devolution should not exempt governments representing extra-regional interests or addressing national and international concerns and obligations. Regional bodies' acceptance of the authority of state government bodies is hindered by their perception that the latter's governance standards are somewhat lower than those required of the regions. Governments accept and respect the authority of regional NRM bodies, and regional NRM bodies need to recognise and respect the legitimacy of governments' roles in the multilayer NRM governance system.

Transparency

The transparency of regional NRM bodies is good and that of the system is average

Stakeholders are able to scrutinise decision making of the regional NRM body through mechanisms such as public availability of board meeting minutes, and planning documents available electronically and in hard copy. A range of communication and reporting media is used, often targeted to particular audiences and needs. Explanations of strategic decisions are contained in strategy documents and background papers. Mechanisms for promulgating criteria for investment decisions include availability on a website prior to funding applications being received, outlines in a regional priorities document and explicit grounding in catchment targets. Most regions provide feedback and explanations to unsuccessful applicants. Information available on NRM issues and management options of interest to stakeholders is typically available on websites and in strategies and plans. At least one region produces brochures in languages other than English. Regions that are less mature or relatively resource-poor recognise a need for improvement.

Instances of communication failures between the state and Australian governments and peak NRM organizations suggest the need for governance structures that foster openness by higher-level governing bodies. Communication openness is necessary to build system-level trust and avoid, for example, the resentment that state governments feel when the Australian Government makes decisions on matters that will require them to contribute on a one-for-one basis and into which they have had little input.

Accountability

The accountability of the NRM system is average and that of regional NRM bodies good

Upward accountability of regional NRM bodies to government is well-established and continues to be strengthened. Reporting requirements imposed by governments have involved excessive duplication, frequency and complexity, although there is evidence that governments are addressing this concern. The accountability and transparency of state governments' management of Australian Government funds is deficient, with several instances of non-compliance with the bilateral agreements. Downward accountability of regional NRM bodies to their communities is informal, and could be strengthened. Although regional NRM bodies have made significant efforts to engage their local communities, they do not necessarily have broad-based support since individuals in the regions have limited means for influencing the choice and actions of members of regional boards or for recourse in the event of disagreement with their actions. Downward accountability of state agencies was judged by the regions to be generally deficient, especially in the fulfilment of service level agreements.

Regional NRM bodies' roles and responsibilities are clearly defined and allocated through legislation and other statutory instruments, as well as by board rules and governance manuals, staff position descriptions that are aligned with program objectives, and terms of reference and/or charters for subsidiary committees. Relationships between the regional NRM bodies' partners and providers are clearly defined in written agreements. Roles and responsibilities articulated in regional arrangements are generally clear, with the exception of those in relation to state agencies, where deficiencies were identified by several regions. However, role allocation is a problem at a systems level in terms of status and functions of the various strategic plans and operational instruments, for institutions such as joint steering committees (JSCs), and for particular NRM activities (water, native vegetation and pest plant and animal management).

All regions report on NRM conditions and outcomes and outputs annually; regions also report on progress on long-term objectives. Implementation audits are used to determine compliance of on-ground works with project objectives and outputs. However, the adequacy and meaningfulness of catchment condition reporting and the ability to identify performance against outcomes is deficient.

Inclusiveness

The inclusiveness of the NRM system and of regional NRM bodies is average to good

All participants are strongly committed to inclusive governance. Opportunities for stakeholders to participate in regional NRM processes and activities are well developed, with a variety of communication options employed by regions to alert stakeholders to opportunities for involvement. Regional NRM bodies take into account the values and interests of stakeholders in their decision-making, and they utilize a variety of structures for key stakeholder engagement in strategic planning, including catchment committees, technical panels and working groups.

Ways of assessing stakeholder participation in NRM implementation include stakeholder satisfaction surveys, representation of key stakeholders on committees

and uptake of contracts and funding opportunities. Regional NRM bodies consider that their engagements with state and national governments, Landcare groups, and some agricultural subsectors such as irrigators are well developed and effective. Their relationships with local government, conservation groups, Indigenous communities, and for some regions agricultural subsectors such as dryland farmers, are developing, but need to be strengthened. Key resource sectors (fisheries, forestry, and tourism), sea/tree changers and urban stakeholders are yet to be drawn into effective engagement with the regional NRM system.

Engagement of regional actors in higher-level processes is currently inadequate, and the regions are keen to have greater access, for example, to JSC meetings. Wider societal and environmental concerns tend to be under-represented at the regional level, a situation that demands a strengthening of the system as a whole, as it is at the state and national levels where such concerns are best represented and pursued.

Fairness

The fairness of the NRM system and of regional NRM bodies is good

Stakeholders are generally heard and treated with respect by the regional NRM bodies. There is evidence that stakeholders are satisfied with the fairness of regional decision-making processes, which generally ensure consistency and absence of bias in decision-making. All regions have standardised decision processes guided by criteria, including for awarding of contracts. Higher-level investment decisions are taken according to criteria conditioned by regional priorities. All regions noted that they received few or no complaints about the fairness of decisions. Several regions have attempted to redress perceptions of inequity that inevitably result from targeted investment by opening up their processes to individuals, by funding small community group projects or by assisting ‘care’ groups in preparation of funding applications.

Regions expressed some concern about their treatment by state agencies, specifically noting a sense of unfairness about the level of trust they are accorded. As acceptance of policy and management processes is related to fairness in decision-making, the perception of untrustworthiness hinders effective relationships between agencies and regional bodies. The introduction of the regional model has tested the willingness of state and Australian governments to let go the reins of control. True devolution, where responsibilities are passed to lower-level governing bodies without ongoing micro-level supervision from higher-level governing bodies, is yet to be achieved.

In general, regional NRM bodies give consideration to the distribution of benefits and costs ensuing from its decisions, some through formal means such as benefit cost analysis but more commonly through informal monitoring. Regions noted that while decisions may be generally based on the merits of proposals, addressing the relative disadvantage of some sub-regions in terms of improving their capacity to deliver services might mean some inequality of investment.

Integration

The integration of the NRM system is poor to average, and of regional NRM bodies average to good

Priorities and investments of the regional NRM bodies are aligned with state and national priorities, with integration of strategies and plans, and in particular the targets they contain, assured through accreditation processes and coordinating instruments such as bilateral agreements. However, integration of NRM policy and action across national, state and regional levels is patchy, and where present, often superficial.

Partnerships and projects between regional NRM bodies and with other regional NRM providers are moderately well developed. Coordination between regional NRM bodies and other organizations involved with NRM in their region is well developed, with all regions indicating strong ties with other NRM organizations and local service deliverers, in most cases evidenced through formal agreements, joint projects, memberships of joint committees and meetings. Horizontal integration between regional NRM bodies is strengthening, with formal mechanisms for collaboration expressed through written agreements and joint projects, and strong informal ties evident through inter-regional meetings and forums, although some participants considered that competition between regions is a barrier. The tensions and contradictions of operating in a competitive business environment and the imperative for partnership building are ongoing governance challenges for regional NRM bodies.

While there is much activity by way of functional connections and coordination occurring within and among the regions, there is as yet limited movement on the vertical plane. Although institutional arrangements are in place to align regional, state and national priorities, including through bilateral agreements, JSCs, ministerial advisory councils and so on, there persists a level of distrust among the governing levels. The integration of local investment programs such as Envirofund with the regional investments remains weak.

Capability

The capability of the NRM system is average and that of regional NRM bodies average to good

Regional bodies generally have effective business systems (including delegations, human resources, finances, projects, assets, information technology) in place. Access to the human resources needed by regional NRM bodies to effectively and efficiently develop and implement NRM plans is variable. Board and staff members of regional NRM bodies are generally high calibre and experienced, although recruitment and retention of board members and staff with experience and appropriate expertise is particularly challenging for smaller organizations and those in more remote and chronically under-resourced regions. Skill- and experience-based selection criteria for board and staff are well-developed in all regions, and Victorian and NSW regions have well-established performance management processes in place.

The level of investment in NRM continues to produce a significant capability deficit. All regions indicated that the funding required to implement strategies is greater than the budget received. Implementation is also constrained by the short-term nature of budgets and time lags in adjusting funding to changing conditions. All regions noted

their very small discretionary budgets, with most funds tied to projects or required to meet fixed costs. Although there is an expectation that this may change with the institution of block-funding arrangements, long term funding remains uncertain and significant delays in payments by states to regional NRM bodies is an ongoing issue.

Regional NRM bodies generally consider that they have access to and can use the knowledge needed to effectively and efficiently develop and implement their NRM plans. Knowledge storage capability appears to be best developed in Victoria, with examples given of web-based knowledge systems and spatial data repositories, but like all jurisdictions, this capacity does not embrace all NRM-relevant data, and tends to be region-specific so that sharing and integration across regions is problematic. Regions have basic knowledge retrieval and application processes, and a few regions are developing their own environmental data management software. However, system-wide knowledge management systems are generally of limited effectiveness and poorly developed.

Adaptability

The adaptability of the NRM system and regional NRM bodies is average

The extent to which regional NRM Bodies set out to learn from experience and incorporate new knowledge into decision-making is highly variable. While some regions are grafting adaptive approaches onto their planning and performance assessment processes, through which learnings are incorporated into new or updated plans, many regions do not have fully operational systems to make them learning organizations. State and national level processes are also under-developed. In Victorian and NSW regions, monitoring, evaluation and review systems are generally in place for plans, programs and projects, and in a few cases for performance planning and self-assessment processes as well. However, many resource condition targets identified in the plans are not specific or measurable and so do not provide a sound basis for assessing progress or founding adaptive responses. Current and emerging monitoring, evaluation and review systems adequately provide for output-accountability but are insufficient to enable an operational adaptive management capacity, and are generally unable to provide an assessment capability against outcomes.

Risk management is routinely applied to project establishment and monitoring procedures by many regional NRM bodies. Procedures to anticipate threats and identify opportunities are less well developed, although in a few regions such matters are considered at board meetings while others employ 'Strengths Weaknesses Opportunities Threats' analysis as part of their business planning. System-level adaptability is made difficult by cumbersome and time-consuming amendment processes, institutional fragmentation, tensions between competing interests, and poorly integrated knowledge generation and management.

4. A STANDARD FOR GOOD NRM GOVERNANCE AND GUIDELINES FOR GOOD PRACTICE

A key output from the research was a Governance Standard and an associated Assessment Framework designed for application to Australian NRM (Lockwood *et al.* 2008b). In this section, we give an overview of the Standard and Assessment Framework, and indicate its structure and contents by including an example extract – the reader is directed to Lockwood *et al.* (2008b) for the complete Standard and Assessment Framework.

The Standard and Assessment Framework are designed to:

1. support assessment of the Australian natural resource management governance system, based on the eight governance principles;
2. stimulate reflexive and continual improvement in governance as part of an adaptive cycle approach; and
3. establish a set of idealised design criteria to drive governance system redesign or quantum organizational improvement.

The Standard and associated Assessment Framework are intended for use by national and state NRM agencies and regional NRM governing bodies. They have been developed with the assistance of interviews and workshops with our research partners, application of a trial version, and consultations with an expert in standards design (John Dean). The version given in Lockwood *et al.* (2008b) is a prototype, in that it has not been trialled with the intended recipients. Such a trial is a necessary next step if the Standard and Assessment Framework are to be adopted by individual NRM organizations or used across the Australian NRM governance system.

The Standard and Assessment Framework are complementary to, and not intended to replace, more detailed organizational performance improvement or corporate governance assessment instruments such as the *Performance Excellence Framework* (Vogel & Zammit 2004), *Governance Checklist* (Walter Turnbull 2005), or *NSW Standard for Quality NRM* (Natural Resources Commission 2005). A comparison between these various instruments is given in Appendix 1.

The Standard is non-prescriptive, outcomes focussed and specifically targeted to NRM. It is structured according to the eight principles described in Section 2. For each of the eight governance principles a number of dimensions (usually 2-3) have been identified. For each dimension there is a corresponding *outcome* that needs to be satisfied for good governance to be in operation. Reference points for each outcome are provided by:

- *indicators of current achievement*;
- *indicators of a need for improvement* towards good governance; and
- *signposts to innovation* that suggest opportunities for improving performance beyond current norms of good governance practice.

An example of the Standard for the principle of *inclusiveness* is given in Appendix 2.

The Assessment Framework has been developed to aid structured assessment of NRM governance against the Standard. The purpose of employing the Framework is to generate a qualitative assessment of the extent to which an NRM governing body has met the outcomes for good NRM governance as specified in the Standard. Assessors determine the current performance of an organization against the Standard using evidence provided by the organization. Assessment can be done as a self-assessment, by peers, by partners or by an external auditor. The assessment is intended to foster learning and provide a vehicle for enabling organizational improvement in governance. In most instances, it is likely that an organization will achieve some but not all of the outcomes. Not satisfying all outcomes implies that there is need for improvement for that particular aspect of governance.

The Framework comprises:

- the *outcomes*, indicators and signposts as given in the Standard;
- evidence related to each *indicator of achievement*; and suggested *evidence* by which achievement can be demonstrated;
- consideration of each *indicator of need for improvement*;
- consideration of *signposts to innovation*; and
- a process for integrating these elements into a learning cycle.

An example of the indicators of achievement and related evidence for the principle of *inclusiveness* are given in Appendix 3. The procedure for assessing a governing body's performance against the Standard comprises the following seven steps.

The assessor:

1. establishes through agreement with the organization the adequacy of the indicators and evidence specified in the framework, as well as, where necessary, agreement on substitute and/or additional indicators and evidence;
2. takes evidence against each indicator of achievement using the examples provided as a guide, as well as any additions or substitutes agreed in Step 1;
3. tests whether any indicator of need for improvement is triggered;
4. establishes an agreement with the organization on how performance judgments will be expressed;
5. qualitatively determines the organization's performance against each outcome, based on Steps 2 and 3; and
6. considers whether the maturity of the organization's governance warrants the taking of evidence against signposts to innovation, and if so:
 - a. decides on what forms this evidence might take;
 - b. obtains such evidence from the organization; and
 - c. recommends whether the organization should take up one or more of the challenges embodied in the signposts.

The organization:

7. develops a strategy that indicates how the organization will respond to the results from Steps 5 and 6. In subsequent assessments the assessor, where necessary, may incorporate into Step 1 additional indicators and evidence requirements to test the implementation and effectiveness of those responses.

In Davidson *et al.* (2008), we give general guidance on how the outcomes specified in the Standard might be met in a series of good practice guidelines. These guidelines were developed using the literature, interviews with partners, and data from the implementation of a trial standard. A summary of the guidelines is provided below.

Summary of good practice guidelines: legitimacy

Good practice requires that NRM governing bodies have strong democratic mandates, are entrusted with sufficient powers to fulfil their delegated responsibilities, gain the confidence of funding bodies and stakeholder communities, create awareness of NRM through actively building the profile of NRM organizations, and support the integrity and appropriate behaviour of NRM decision-makers. To bring about these requirements, NRM government authorities can contribute to the legitimacy of the NRM system and its governing bodies by:

- reducing the mismatch between devolved responsibilities and supporting powers and authorities;
- paying greater attention to their role of representing extra-regional interests and addressing national and international concerns and obligations;
- enabling the creation of formal links between regional NRM bodies and other NRM governing bodies with existing democratic authority; and
- providing continuity of funding regimes to regional organizations to enable them to maintain the confidence and commitment of stakeholders.

NRM governing bodies also need to do more to earn the acceptance and confidence of Indigenous communities; sea/tree changers; the fisheries, forestry and tourism sectors; and urban residents.

Summary of good practice guidelines: transparency

Good practice requires that NRM governing bodies make decision-making processes visible to stakeholders; substantiate decisions through clear documentation and explanation; and make relevant information available to stakeholders.

To bring about these requirements, national and state level governing bodies can institute higher-level governance structures and procedures that foster openness of communication; and consolidate commitment from governments and regions for the Australian Government's knowledge brokering initiative and other data/information sharing projects.

Regional NRM organizations can better substantiate their decision-making processes by improving the quality as well as the availability of information accessible to stakeholders. National and state level governing bodies can support transparency within the NRM system and that of regional governing bodies by instituting higher-level governance structures and procedures that foster openness of communication and consolidating commitment from governments and regions for the Australian Government's knowledge brokering initiative and other data/information sharing projects.

Summary of good practice guidelines: accountability

Good practice requires that NRM roles and responsibilities are clearly defined, formally documented and clearly understood and accepted, reporting obligations are reasonable, performance and outcomes are reported in a diligent and timely fashion; and financial probity is maintained.

To bring about these requirements at the NRM system level, there should be clearer allocation of the status and functions of committees, strategic plans and operational instruments. If the regions are to account for their activities and expenditures in meaningful ways, their ability to identify performance against outcomes must be upgraded by improving the quality and measurability of catchment condition targets. Governments can assist regional NRM bodies by developing strategies that have outcome targets, which are then used to both report on system performance and as a basis for seeking information from regions.

Summary of good practice guideline: inclusiveness

Good practice requires that a diverse range of stakeholders have genuine opportunities to participate in NRM processes and activities. To bring about this requirement, higher-level governing bodies can:

- show leadership to ensure that wider societal and environmental concerns resonate at the regional level, in line with their international commitments and national goals and values; and
- reform macro-scale governance structures to enable inclusion of regional NRM representatives in higher-level coordination and decision-making.

Regional NRM organizations can:

- address dissatisfaction among some ‘care’ groups regarding their engagement with NRM by supporting and investing in locally important priorities;
- build better understanding of NRM by having targeted communication strategies that take into account the diverse needs of different stakeholder segments;
- investigate how more effective relationships with Indigenous communities, key resource sectors, sea/tree changers and urban stakeholders can be developed; and
- ensure all stakeholders, not just the most articulate, better-connected or most vocal minorities have opportunities for engagement by paying particular attention to the communication needs and preferences of these group.

Summary of good practice guideline: fairness

Good practice requires that respect and attention is given to stakeholders' views, decision-making is consistent and free of bias, and consideration is given to distribution of costs and benefits of decisions. These requirements can be met by governing authorities:

- providing genuine and ongoing opportunities for regional NRM boards and staff to participate in and influence higher-level decisions;
- developing a practical and cost-effective alternative to a full social cost-benefit analysis;
- employing decision support tools such as Multi-criteria Analysis and deliberative mechanisms such Open Space Technology; and
- providing resources to support 'local' priorities.

Summary of good practice guideline: integration

Good practice requires effective horizontal, vertical and internal coordination of governing processes and instruments across, between and within jurisdictions, governing scales and NRM regions. To meet this requirement, national and state leadership can focus on:

- coordinating national, state and regional governing levels into a cohesive program that delivers significant large-scale outcomes;
- improving vertical integration based on existing institutional structures;
- developing and providing central coordination of arrangements for sharing resources, expertise, knowledge and information; and
- strengthening integration of local investment programs with regional investment priorities.

At the regional level, focus can be on:

- clarifying regional priorities and strengthening alignment of regional plans with higher-level priorities; and
- strengthening horizontal coordination through enhanced roles for forums such as chairs and executive officer meetings.

Summary of good practice guideline: capability

Good practice requires that NRM bodies have the capacity to deliver on their responsibilities and in this they are supported by appropriate and adequate skills, leadership, knowledge, investment, plans and systems. In meeting these requirements, state and national governing bodies can:

- better coordinate the human resources needed by regional organizations;
- provide assured core funding to enable core responsibilities to be maintained;
- allow greater flexibility in discretionary budgets;
- deliver the financial security needed to support long-term planning and implementation; and

- improve system-wide knowledge management systems so that learnings are captured and disseminated throughout all levels.

Regional organizations can:

- enhance human resources support through establishment of staff recruitment, induction, development and retention policies;
- adopt a project management approach to better align business systems and reduce duplication; and
- provide follow-up governance training for board members and senior staff.

Summary of good practice guideline: adaptability

Good practice requires an adaptive system or organization that supports (i) intentional learning, (ii) management of change, and (iii) systematic reflection on performance for improvement. To meet this requirement, governments should lead efforts to:

- make planning and decision making more responsive and able to accommodate new knowledge through building knowledge generation and management systems that better capture and employ key learnings; and
- effectively connect outcome-based evaluation to plan review and amendment.

Regional organizations can be more systematic in their approach to adaptive management by incorporating:

- fully operational planning and performance assessment processes;
- an enhanced MER capability to assess performance against outcomes; and
- improved procedures to anticipate threats and identify opportunities.

5. CONCLUSIONS

This final section is intended as a reflection on the conduct and outcomes of the *Pathways* project. First, we reflect on the main content and process learnings for the research team and its experiences in conducting a collaborative research project. Second, we summarise a sample of our partners' learnings and experiences from the project. Finally, we recapitulate the project's major contributions and findings.

Research team experiences and learnings

The research team members made some significant shifts in their own perspectives. First, the team came to a very clear understanding of the critical role that governments play in multi-level systems. The team's conclusions negate the thesis that governments' main roles in decentralized systems are to provide funds and audit the results. Second, our engagement with the regional, state and national partners gave us an appreciation of their achievements, especially of those in regional organizations, who are doing a tough job really well. We met high-calibre people who are keen to learn, open to innovation, and have a good understanding of the scalar complexity of NRM challenges.

A further significant outcome from the work is the idea that good governance is not static and that what is considered best practice at one moment may be regarded as minimum good practice at some future moment. This insight is reflected in our use of 'signposts for innovation' in the Governance Standard and Assessment Framework. The signposts signal where good governance should be headed and are aimed at integrating a mechanism for ongoing governance improvement into routine governance assessment procedures.

From the standpoint of process, we confirmed the efficacy of the predominantly qualitative research methods used in the governance assessment as well as development of the principles and Standard. These methods included the use of an expert panel; the use of academic and policy literature; extensive interviews with key decision-makers and policy-makers in the regional organizations and state and federal agencies; and iterative processes involving reflection, refraction, participation, and diffusion of information and findings among and with partners. The iterative nature of the research process simultaneously allowed for learning amongst both partners and researchers and afforded flexibility in the research approach. Importantly, the richness of the stories and the synergies generated by bringing together people from three states and the Australian Government with simultaneously similar and different governance experiences and challenges confirmed the value of collaboration.

An important process conclusion from the collaboration with project partners concerned the power of praxis – a recursive process where theory informs practice and in turn practice informs theory – in generating new knowledge and improving practice. Through working in collaborative and iterative ways with practicing partners, we were able to translate our knowledge and learning about governance into better understanding of governance and improved governance practice among the partners. In turn, the knowledge that we gained about the practical realities of NRM governing allowed us to refine our theoretical knowledge. For the research team, better understandings of the viability of the institutional, social and cultural dimensions that condition Australian NRM governance were the result of 'walking

the talk’ of academic praxis. Interpretation and application of diverse aspects of new governance and adaptive management literatures allowed us to interrogate current NRM governance arrangements and so bring understanding to how NRM governing works. Importantly, the two-year time-frame for the work allowed our ideas to develop and mature – a process that is of course still ongoing.

Partner experiences and learnings

Partner’s responses to the project were elicited at the final Partner Reference Group meeting, which was held in April 2008. Unfortunately, a number of partners were unable to attend this meeting, in part due to flight cancellations while en-route. The responses presented here are from three regions and two state jurisdictions, as well as the principal investor, Land & Water Australia.

The fact that the partners were engaged in a meaningful way at the beginning of the project, including setting direction for the work and shaping the research objectives, was critical to its success. The first six months or so was vital to ensure that everyone was on the same ‘hymn sheet’. The initial meetings allowed opportunities for partners to clarify the questions to be addressed and also afforded useful insights into the meaning and scope of governance considerations. A Land & Water Australia representative noted that some other funded research projects had not undertaken this initial relationship-building, which seriously compromised their success. Project design needs to take account of the time it takes to build these relationships and establish mutual understandings and agreed directions. Partners considered that the research objectives were very well framed and of considerable practical relevance. The fact that the issue of regional governance, and what constitutes good governance, were important at the time the project commenced, underpinned this relevance.

The flexibility of the research team to respond to partners’ views and adapt both direction and methodology were very positive, and gave partners ownership of research processes and products. One partner noted that at no stage did they feel like a ‘lab rat’, which had been their experience with a number of other research projects.

The series of interviews were found to be extremely valuable, providing opportunities for reflection and learning. The initial round of interviews took place at an early stage, reassuring participants that their involvement would be worthwhile – this was important for ongoing commitment to, and interest in, the work. These and other project meetings provided partners with opportunities to stop and think about governance practices. This was both challenging and affirming for these relatively new organizations who are attempting to do things in new ways.

Having regional partner organizations of different levels of maturity was regarded from a state agency perspective as a valuable part of the research design, as it afforded a perspective on the variations within a jurisdiction. Having a cross section of south-east Australian regional organizations also helped develop products, and in particular the Standard and Assessment Framework, that are robust and likely to have wide applicability.

Several partners indicated that they would have liked to contribute more fully, but were constrained by day-to-day pressures. Nonetheless, the two-year duration did allow numerous opportunities to engage with the work when time allowed –

opportunities that would not have arisen with a shorter, more concentrated project. The amount of information coming through from the research team was a challenge for partners to absorb and respond to. One partner observed that the team was ‘producing too much too quickly’ which made it hard for partners to provide useful feedback – a more staged release of draft information for comment would have been preferred.

The various communications initiated by the research team with partners (phone calls, gentle reminders of required actions, progress reports) were well received and useful. The ongoing dialogue helped cement and clarify ideas, and review periods helped consolidate an understanding of project direction and progress. Nonetheless, changes in contact personnel for some partner organizations led to discontinuities.

Partners noted that the work has prompted modifications to their governance practices and processes. The principles were considered to be very useful, and have helped clarify and define what is meant by good governance. From a NSW perspective, the principles provide an excellent framework for categorising the different requirements that different parties have placed on them, and ‘the NSW Natural Resources Commission will soon be auditing CMAs loosely against the principles’. However, the Standard and Assessment Framework were regarded as difficult to apply in their current forms, as they require considerable investment in their implementation. The need for further development of these tools was also noted – a fact recognised by the research team through the use of the ‘prototype’ label. Nonetheless, one of the partners considered that in their current form the Standard and Assessment Framework are ‘practical and user friendly’, and further commented that:

‘our legitimacy and all of the issues raised in the Standard are profoundly important for us to know that we are running a sound organization, and that we can demonstrate that we are. We are looking at instituting a process to pick the eyes out of it and see what this tells us about how we can improve our practice, so that we can be as good as we possibly can be for our scale – the Standard is the principal tool to help us do that’.

Recapitulation of *Pathway*’s major contributions

Since the *Pathways* project was conceived in 2005, we have observed substantial movement in awareness of the different aspects of good NRM governance. More NRM players are now engaged with governance and better understand the implications of good governance practice for desired NRM outcomes.

Through the process of developing the *governance principles*, we have moved the debate on governance beyond its corporate connotations, at least among the nine partner regions and the relevant state and federal agencies. It was our intention to unsettle received understandings of good governance with the objective of demonstrating that good corporate governance was necessary but insufficient for the kinds of public good outcomes expected of the regional delivery model. We hope that the principles are sufficiently robust and durable to guide NRM governance assessment and design for some time to come.

We have demonstrated that in our partner regions, NRM governance is in reasonable shape, with average to good performance in legitimacy, transparency, accountability,

inclusiveness, integration and capability and adaptability. However, there is some way to go before exemplary governance is achieved. Governance performance at the system level is not quite as good, with average performance recorded against most outcomes and integration in particular being underdeveloped. Our good practice guidelines provide some suggestions as to ways in which both regional and system-wide governance performance can be progressed over the short to medium term.

The prototype Governance Standard and Assessment Framework developed in the project is offered as a potentially valuable instrument for progressing and assessing Australian NRM governance.

In recognition of the dynamic environment that is NRM, the governance principles and the Governance Standard and Assessment Framework are threaded through with precepts of adaptive governance, such as learning, improvement, flexibility, engagement, and integration. In taking this approach, we have laid the groundwork for future investigation into adaptive governance. This work will be necessary for the further development of the NRM system's adaptive capacities that are so far insufficiently advanced to respond to the kinds of threats and opportunities that may be afforded by approaching global change or to the more intractable or wicked environmental problems confronting Australian NRM.

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APPENDIX 1: COMPARISON OF THE MAIN FEATURES OF NRM GOVERNANCE ASSESSMENT MODELS

	Governance coverage	Standard	Assessment tool or framework	Quantitative rating scale	Largely non-prescriptive	Main drivers*	Suitable for audit	Systematic learning capability
NSW Standard	Partial	✓	✓	✓	✓	QA, Q, I	✓	✓
Business Processes Improvement Model	Partial	✓	✗	✗	✓	QA, Q, I	✗	✓
Walter Turnbull Governance Assessment Framework	Partial	✗	✓	✓	✗	QA, I, C	✓	✗
Vogel/Zammit Performance Excellence Guide	Partial	✗	✓	✓	✓	QA, E, I	✓	✓
NRM Governance Standard and Assessment Framework	Complete	✓	✓	✗	✓	QA, Q, I	✓	✓

* QA: quality assurance. Q: quality of performance. E: excellence. I: improvement. C: compliance.

APPENDIX 2: EXTRACT FROM THE GOVERNANCE STANDARD FOR NRM

PRINCIPLE 3. Accountability

Accountability is:

- i) allocating and accepting responsibility for decisions and actions; and
- ii) demonstrating how these responsibilities have been met.

Outcome 3.1: NRM actors have clearly defined roles and responsibilities and have accepted them

Indicators of achievement

- ✱ The roles and responsibilities of the governing body and related office bearers and staff are formally documented
- ✱ NRM office bearers and staff accept their responsibilities
- ✱ Relationships between the governing body and its partners, providers and other stakeholders are clearly documented

Indicators of need for improvement

- ✧ Responsibility for an NRM-related issue is not clearly allocated
- ✧ There is unnecessary duplication of NRM responsibilities

Signpost to innovation

- ✧ NRM system designers understand how to balance the need for overlap and backup with the need to eliminate unnecessary duplication

Outcome 3.2: Obligations are reasonable and have been met

Indicators of achievement

- ✱ The governing body addresses its reporting obligations to higher-level authorities
- ✱ The governing body reports project and financial performance in a diligent and timely way
- ✱ The governing body reports NRM conditions and outcomes in a diligent and timely way
- ✱ The governing body maintains and can demonstrate financial probity

Indicators of need for improvement

- ✧ Project or financial systems constrain effective reporting
- ✧ Information on NRM conditions and outcomes is incomplete
- ✧ An audit report indicates deficiencies in financial procedures
- ✧ Higher-level authorities have reporting requirements that involve duplication or collection of unnecessary data

Signposts to innovation

- ✧ Integrated reporting of social, economic and environmental data on NRM conditions and outcomes is undertaken
- ✧ Integrated reporting of NRM conditions and outcomes, projects and expenditures is undertaken

APPENDIX 3: EXTRACT FROM THE ASSESSMENT FRAMEWORK

PRINCIPLE 3. Accountability

Outcome 3.1: NRM actors have clearly defined roles and responsibilities and have accepted them

<i>Indicators of current achievement</i>	<i>Examples of evidence relating to indicator</i>
The roles and responsibilities of the governing body and related office bearers and staff are formally documented	<ul style="list-style-type: none"> • Legislation • Board Charter • Staff position descriptions • Terms of reference for subsidiary committees
NRM office bearers and staff accept their responsibilities	<ul style="list-style-type: none"> • Reviews of roles and responsibilities • Interviews with office bearers and staff – the assessor could interview some individuals to ascertain their understanding of, and attitude towards, their responsibilities. Inadequate responses could be indicative of systemic problems such as poor leadership or poor induction training rather than the fault of the individual concerned
Relationships between the governing body and its partners, providers and other stakeholders are clearly documented	<ul style="list-style-type: none"> • Inter-governmental agreements • MOUs, Heads of Agreement, Service Level Agreements • Contracts with investors or service providers

Outcome 3.2: Obligations are reasonable and have been met

<i>Indicators of current achievement</i>	<i>Examples of evidence relating to indicator</i>
The governing body considers that its reporting obligations to higher-level authorities are reasonable	<ul style="list-style-type: none"> • Agreed reporting schedules • Correspondence relating to impractical or unreasonable demands • Documents justifying the scope and frequency of reporting required by higher-level authorities • Feedback from key organizational decision makers and staff
The governing body reports project and financial performance in a diligent and timely way	<ul style="list-style-type: none"> • Projects' financial accounts • Financial audits • Recent and past performance reports (the assessor might check on the date of submission relative to the due date and the content relative to the specified content and formats)
The governing body reports NRM conditions and outcomes in a diligent and timely way	<ul style="list-style-type: none"> • Annual report (the assessor could check for compliance with reporting against targets and other milestones) • 'State of the Environment' report • Report of achievement against plan objectives
The governing body maintains and can demonstrate financial probity	<ul style="list-style-type: none"> • Financial audits • Documented fraud control procedures